

107TH CONGRESS
2D SESSION

H. R. 4067

To reinstitute the moratorium on foreclosure on FHA single family mortgage loans of borrowers affected by the events of September 11, 2001, and to expand such moratorium to employees of air carriers and aircraft manufacturers who are involuntarily separated after such date.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2002

Mr. RUSH introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reinstitute the moratorium on foreclosure on FHA single family mortgage loans of borrowers affected by the events of September 11, 2001, and to expand such moratorium to employees of air carriers and aircraft manufacturers who are involuntarily separated after such date.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Airline Workers and
5 Victims of Terrorism Mortgage Relief Act of 2002”.

1 **SEC. 2. MORATORIUM ON FORECLOSURE OF FHA SINGLE**
2 **FAMILY MORTGAGES.**

3 (a) IN GENERAL.—There shall be in effect a morato-
4 rium on the foreclosure of certain single-family mortgages
5 insured under the National Housing Act (12 U.S.C. 1701
6 et seq.). The moratorium shall be subject to the terms of
7 mortgagee letter 01–21 of the Secretary of Housing and
8 Urban Development (relating to relief options for bor-
9 rowers affected by the events of September 11, 2001), ex-
10 cept that, for purposes of the moratorium under this sec-
11 tion, such letter shall apply to all approved mortgagees
12 as if—

13 (1) the category of affected borrowers under
14 such letter included individuals who are involuntarily
15 separated (except for cause) after September 11,
16 2001, from employment with—

17 (A) an air carrier or a foreign air carrier
18 (as such terms are defined in section 40102 of
19 title 49, United States Code); or

20 (B) a manufacturer of aircraft used by, or
21 to be used by, an air carrier or foreign air car-
22 rier; and

23 (2) the moratorium on foreclosure of FHA-in-
24 sured single family mortgages is—

25 (A) in the case of any affected borrower
26 who is determined under title IV of the Air

1 Transportation Safety and System Stabilization
2 Act (49 U.S.C. 40101 note) to be an eligible in-
3 dividual for purposes of such title, the period
4 that begins upon the date of the enactment of
5 this Act and ends upon receipt by such eligible
6 individual of the first payment of any portion of
7 the amount of compensation determined under
8 such title with respect to the eligible individual;

9 (B) in the case of any affected borrower
10 who, during the 180-day period beginning on
11 the date of the enactment of this Act, files (or
12 becomes a party to) an action described in sec-
13 tion 405(c)(3)(B)(i) of such title (that is not
14 withdrawn in accordance with section
15 405(c)(3)(B)(ii) of such title), the period that
16 begins on the date of the enactment of this Act
17 and ends on the earlier of (i) the expiration of
18 the 18-month period beginning on such date of
19 enactment, and (ii) the date that a final judg-
20 ment is issued in such action; and

21 (C) in the case of any affected borrower
22 not described in subparagraph (A) or (B), the
23 180-day period beginning on the date of the en-
24 actment of this Act.

1 (b) TREATMENT OF MORTGAGE RELIEF.—Notwith-
2 standing section 405(b)(6) of the Air Transportation Safe-
3 ty and System Stabilization Act, the Special Master shall
4 not reduce the amount of compensation, to any individual,
5 determined under such title by reason of the benefit of
6 the applicability, to any affected borrower, of the morato-
7 rium established under subsection (b) of this section.

8 (c) IMPLEMENTATION.—The Secretary of Housing
9 and Urban Development shall take any actions necessary
10 to inform mortgagees of the provisions of this section and
11 to provide for the implementation of this section.

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